

**IN THE HIGH COURT OF JUDICATURE, ANDHRA PRADESH
AT HYDERABAD**
(Special Original Jurisdiction)

TUESDAY, THE TWENTY SECOND DAY OF JUNE
TWO THOUSAND AND FOUR

PRESENT

THE HON'BLE MR JUSTICE A.GOPAL REDDY

WRIT PETITION NO : 10989 of 2003

Between:

P.Kondanda Pani s/o.late P.Anandam, aged about 67 years,
Managing Director, M/s.Acme Spinners Ltd.
IDA, Humbabad, Karnataka State.

..... PETITIONER

AND

- 1 State Bank of Hyderabad. Head office, Gunfoundry, Hyderabad..
- 2 The Manager, C&I Banking Division,
State Bank of Hyderabad, Head Office, Gunfoundry
Hyderabad.

....RESPONDENTS

Petition under Article 226 of the constitution of India praying that in the circumstances stated in the Affidavit filed herein the High Court may be pleased to issue a writ or order or direction more particularly in the nature of writ of mandamus declaring the action of the respondents as null, void, arbitrary, unconstitutional, and inoperative in law and consequently declare the issuance of the impugned Notice dt.05.06.2003 is ultra vires and violative of Article 14 and Article 300A of the Constitution of India and pass such other order or orders.

Counsel for the Petitioner: MR.POTTIGARI SRIDHAR REDDY

Counsel for the Respondents 1 & 2: MR.K.V.SIMHADRI

The Court made the following ORDER:

This writ petition is filed for issuance of a Writ of Mandamus declaring the action of the respondents in issuing the impugned Notice dt.5-6-2003 as illegal and arbitrary.

In the counter affidavit filed by the respondent-bank, it is asserted that the notice, contemplated under Section 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act (herein after referred to as “the Act”), has been issued on 11-02-2003 calling upon M/s Acme Spinners Limited to repay the amount within 60 days from the date of receipt of the notice and on failure to repay the amount by the company, possession notice under Section 13(4) of the Act has been issued on 05.06.2003 and the respondent-bank has complied with all the mandatory requirements of the Act.

In view of the same, the petitioner is at liberty to file an appeal against the impugned notice dated 05-06-2003 issued under Section 13(4) of the Act before the Debts Recovery Tribunal and can raise all the grounds including that of service of notice under Section 13(2) of the Act within a period of four weeks. Status quo existing as on today shall be maintained till four weeks.

Accordingly, the Writ Petition is dismissed.

22nd June, 2004.

*Nsr/Js

ASSISTANT REGISTRAR

// TRUE COPY //

SECTION OFFICER

To

1. State Bank of Hyderabad, Head Office, Gunfoundry, Hyderabad.
2. The Manager, C & I Banking Division, State Bank of Hyderabad, Head Office, Gunfoundry, Hyderabad.
3. The Debts Recovery Tribunal, Andhra Pradesh, Hyderabad.
4. Two CD copies.